



NEWS RELEASE

United States Department of Agriculture • Rural Development

700 North Wells • Room 101 • Edna, Texas 77957

Phone: (361) 782-7151, Ext. 4 • Fax: (361) 782-3680 • TDD: (254) 742-9712 • Web: <http://www.rurdev.usda.gov/tx>

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Contact Name: Dorothy Aupperle

Phone Number: 361-782-7151, Ext. 4

Email: Dorothy.Aupperle@tx.usda.gov

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USDA RURAL DEVELOPMENT ANNOUNCES FUNDING FOR FARMERS COOPERATIVE OF EL CAMPO

EL CAMPO, TEXAS, February 7, 2005 – Bryan Daniel, USDA Rural Development State Director, announced today that Farmers Cooperative of El Campo was selected to receive a \$209,484 Value Added Producer Grant. The funds will be used to develop a new emerging market for their member's grain sorghum in Mexico and will supply this new market with a value added identity preserved grain sorghum product.

“USDA Rural Development is committed to helping agricultural producers become more profitable through value-added agricultural business opportunities,” said Daniel. “This grant will enable Farmers Cooperative of El Campo to explore new ways of pursuing additional markets.”

The VAPG program is designed to provide agricultural producers or rural businesses with grant funds to further refine agricultural commodities and increase their value to consumers. The grant also provides capital to allow producers to better market their products so that they can compete in domestic and international markets. Recipients are required to obtain matching funds, which will double the impact of the USDA grant. Funding of individual recipients will be contingent upon meeting the conditions of the grant agreement.

Authorized as part of the 2002 Farm Bill, the Value-Added Producer Grant may be used for feasibility studies, developing business plans, or working capital for marketing value-added agricultural products and for farm-based renewable energy. Eligible applicants are independent producers, farmers and rancher cooperatives, agricultural producer groups and majority-controlled producer-based business ventures.

USDA Rural Development was created in 1994 and with a mission to use the resources of USDA to help enhance the quality of life for the nation's rural residents. For more information regarding USDA Rural Development programs, please contact the Edna Local Office at (361) 782-7151, Ext. 4.

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